

# ***NEWS RELEASE***

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## ***OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA***

***San Diego, California***

***United States Attorney  
Karen P. Hewitt***

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***For Immediate Release***

### **NEWS RELEASE SUMMARY** - October 9, 2007

United States Attorney Karen P. Hewitt announced that Vincent A. Donlan was sentenced today in federal court in San Diego by United States District Court Judge John A. Houston to serve 46 months in prison, following Donlan's guilty pleas to federal fraud and tax charges. Donlan, the former stock options administrator at Wireless Facilities, Inc. (WFI), a San Diego-based company with shares of common stock sold on the NASDAQ, pled guilty on July 3, 2007, to stealing more than \$6 million worth of WFI's stock during his employment. Judge Houston also ordered Donlan to serve a two-year term of supervised release following his release from prison and to pay \$6,252,715 in restitution to the company and \$2,202,917 to the Internal Revenue Service.

In his plea agreement, Donlan admitted that between November 2002 and November 2003, he used his position as WFI's stock option administrator to issue without authorization 728,229 shares of WFI stock to a brokerage account he controlled and that he sold the stock for a net gain of \$6,252,715. He also admitted

that he evaded paying \$2,202,917 in federal income taxes for calendar years 2002 and 2003 by failing to declare the income he derived from the fraudulent WFI stock sales.

For calendar year 2002, Donlan falsely declared a capital loss of \$42,743 on the fraudulent WFI stock transactions, instead of the \$594,917 gain he received from the sale of the stock. For calendar year 2003, he falsely declared only \$9,955 in capital gains from the fraudulent WFI stock transaction, instead of the \$5,580,235 he received from the sale of the stock.

United States Attorney Hewitt said, "Federal law enforcement will not tolerate those who undermine the integrity of the stock marketplace with illegal schemes for their own individual profit. This case demonstrates that those who cheat on fraudulent stock sales and then evade federal income tax requirements will be prosecuted and punished."

United States Attorney Hewitt praised the efforts of the Federal Bureau of Investigation, San Diego Division and the Internal Revenue Service, Criminal Investigation. These agencies and the Department of Justice worked cooperatively in this matter with the United States Securities and Exchange Commission, Division of Enforcement, which was conducting a parallel civil investigation.

"Mr. Donlan used his position to embezzle millions of dollars, which he failed to report to the IRS. He knowingly devised a web of stock and financial transactions that concealed his income and included claiming a false capital gains loss," said Thomas Jankowski, Acting Special Agent in Charge, IRS Criminal Investigation, Los Angeles Field Office. "IRS Special Agents possess unique financial investigative skills that are essential in unraveling complex financial transactions used by individuals to evade their income taxes. IRS Criminal Investigation will ensure honest taxpayers that everyone should pay their fair share."

**DEFENDANT**

**Case Number: 07cr1725-JAH**

Vencent A. Donlan

**SUMMARY OF CHARGES**

Title 18, United States Code, Section 1343 - Wire Fraud; Title 26, USC, Section 7201 - Income Tax Evasion

**AGENCIES**

Federal Bureau of Investigation

Internal Revenue Service - Criminal Investigation Division